GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4429
ANSWERED ON:25.04.2005
REGULATION OF FINANCIAL MARKETS
Rao Shri Sambasiva Rayapati

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government is considering any proposal to bring the regulation on financial and commodities market under a single authority;

(b) if so, the details thereof;

(c) whether the new authority would link and strengthen all the elements in the trading chain, including the commodity market;

(d) if so, whether the matter has been discussed with the Ministry of Finance;

(e) if so, the reaction of Ministry of Finance thereto; and

(f) the benefits likely to accrue as a result of this move?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN)

(a) & (b): No Sir.

(c) : Does not arise.

(d) to (e): On the suggestion of Ministry of Finance, an Inter Ministerial Task Force was set up by the Department of Consumer Affairs to look into all the aspects relating to convergence of the Financial Securities and Commodities Futures Markets. The Department of Consumer Affairs, while agreeing to most of the recommendations of the Task Force, conveyed to the Ministry of Finance that time was not ripe for going in for a unified system of regulation for the two markets given the substantial differences between the two.

(f) : Does not arise.